



## Kramer Motors Earthquake Rebuild

### Full Mitigation Best Practice Story

#### *Los Angeles County, California*

**Santa Monica, CA** - Kramer Motors has been in business in Santa Monica for 40 years. The business originally had six facilities in the Santa Monica area. The Northridge earthquake that shook southern California early on the morning of January 17, 1994, damaged all six facilities. The roof of the auto agency's showroom on Santa Monica Boulevard caved in on a dozen sports cars. One building was destroyed and was not replaced. The site of that structure is now a parking lot. Three of the other buildings sustained major damage and the other two received minor damage, according to the owner, Robert Kramer.



Repair and reinforcement to all five buildings was required to bring them up to current code. There was also the loss of business for six months at one location. Other locations were reopened more quickly, with work done around damage until it was repaired and mitigated. In retrospect, Kramer said he might have torn down one of the buildings that sustained major damage but didn't do so because he was caught up in the emotion of the moment immediately following the earthquake.

Following the earthquake, the company initiated a mitigation program. The five remaining buildings of Kramer Motors needed repair, one requiring substantial work to bring it up to code. Structural reinforcement and retrofitting of all of the buildings consisted of tie-downs, columns and steel reinforcements. Consideration is being given to applying protective film to the auto show room windows.

Cost of repairs and mitigation was \$1.5 million. Repairs were financed by a 20-year, 4 percent low-interest, \$1.4 million loan from the U. S. Small Business Administration.

Kramer said the current value of the five buildings is \$20 million. Thus the value of protecting fixed assets of Kramer Motors and the potential for reducing business loss in the event of another earthquake exceeds the cost of the repair/renovation/mitigation project by at least 4 to 1.

#### Activity/Project Location

Geographical Area: **Single County in a State**

FEMA Region: **Region IX**

State: **California**

County: **Los Angeles County**

City/Community: **Santa Monica**

### Key Activity/Project Information

Sector: **Private**  
Hazard Type: **Earthquake**  
Activity/Project Type: **Retrofitting, Structural**  
Structure Type: **Concrete, Reinforced**  
Activity/Project Start Date: **01/1994**  
Activity/Project End Date: **01/1995**  
Funding Source: **Local Sources; Other Federal Agencies (OFA)**  
Funding Recipient: **Business/Industry**  
Funding Recipient Name: **Kramer Motors**

### Activity/Project Economic Analysis

Cost: **\$1,500,000.00 (Estimated)**

### Activity/Project Disaster Information

Mitigation Resulted From Federal  
Disaster? **Yes**  
Federal Disaster #: **1008 , 01/17/1994**  
Value Tested By Disaster? **No**  
Repetitive Loss Property? **Unknown**

### Reference URLs

Reference URL 1: **<http://www.nifc.gov>**  
Reference URL 2: **<http://www.oes.ca.gov/Operational/OESHome.nsf/1?OpenForm>**

### Main Points

- Following the earthquake, the company initiated a mitigation program. Structural reinforcement and retrofitting of all of the buildings consisted of tie-downs, columns and steel reinforcements. Consideration is being given to applying protective film to the auto show room windows.
- Cost of repairs and mitigation was \$1.5 million. Repairs were financed by a 20-year, 4 percent low-interest, \$1.4 million loan from the U. S. Small Business Administration.
- Kramer said the current value of the five buildings is \$20 million. Thus the value of protecting fixed assets of Kramer Motors and the potential for reducing business loss in the event of another earthquake exceeds the cost of the repair/renovation/mitigation project by at least 4 to 1.